COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY-AMERICAN WATER COMPANY TO INCREASE ITS RATES

) CASE NO. 95-554

ORDER

On January 30, 1996, Kentucky-American Water Company ("Kentucky-American") filed an application with the Commission wherein it proposed to utilize a forward-looking test year to adjust its rates for water service rendered on and after February 29, 1996.

The Commission finds that, pursuant to KRS 278.190, further proceedings are necessary in order to determine the reasonableness of the proposed rates and that such proceedings cannot be completed prior to the proposed effective date.

IT IS THEREFORE ORDERED that:

- 1. The proposed rates are suspended for six months from February 29, 1996 up to and including August 28, 1996.
- 2. Nothing contained herein shall prevent the Commission from entering a final decision in this case prior to the termination of the suspension period.
- 3. The procedural scheduled set forth in Appendix A, attached hereto and incorporated herein, shall be followed in this case.

Done at Frankfort, Kentucky, this 26th day of February, 1996.

PUBLIC SERVICE COMMISSION

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 95-554 DATED February 26, 1996.

All requests for information to Kentucky-American shall be due no later than3/13/96
Kentucky-American shall mail or deliver responses to the requests for information no later than
All supplemental requests for information (to include only those matters within the scope of the initial requests) to Kentucky-American shall be due no later than4/17/96
Kentucky-American shall mail or deliver responses to supplemental requests for information no later than
<pre>Intervenor testimony, if any, shall be filed in verified prepared form no later than</pre>
All requests for information to Intervenors shall be due no later than
Intervenors shall mail or deliver responses to requests for information no later than6/17/96
Last day for Kentucky-American to publish notice of hearing date6/20/96
Public Hearing is to begin at 10:00 a.m., Eastern Daylight Time, in Hearing Room 1 of the Commission's offices at 730 Schenkel Lane, Frankfort, Kentucky, for the purpose of cross-examination of witnesses of Kentucky-American and witnesses of the Intervenors6/27/96